

INCOME TAX WITHHOLDING REQUEST FORM

You can complete this form online at www.mass.gov/dua. There is no need to follow up with a mailing or fax, as this updates your preference on your claim right away.

Complete and submit this form only if you:

1. Want DUA to withhold taxes from your benefit payments
- or,
2. Want to change your tax withholding status with DUA

Check One ☒

- ☐ I hereby authorize and request the withholding of **both federal and state income taxes** from my unemployment insurance benefit payments. I understand that federal taxes will be withheld at the rate of 10 percent and state taxes at the rate of 5.3 percent of my gross weekly payable benefit amount.
- ☐ I hereby authorize and request the withholding of **federal income taxes only** from my unemployment insurance benefit payments. I understand that federal taxes will be withheld at the rate of 10 percent of my gross weekly payable benefit amount.
- ☐ I hereby authorize and request the withholding of **state income taxes only** from my unemployment insurance benefit payments. I understand that state taxes will be withheld at the rate of 5.3 percent of my gross weekly payable benefit amount.
- ☐ Please **discontinue** the withholding of **federal and state income taxes** from my unemployment insurance benefits.
- ☐ Please **discontinue** the withholding of **federal income taxes** from my unemployment insurance benefits.
- ☐ Please **discontinue** the withholding of **state income taxes** from my unemployment insurance benefits.

If you need assistance completing this form, call 617-626-5829.

Print name

Signature

Social security number

Date

Return completed form to:
Division of Unemployment Assistance
Income Tax Withholding Unit
P.O. Box 8070
Boston, MA 02114
or
Fax to: 617-727-4303

Income Tax Information for Unemployment Insurance Claimants

Unemployment insurance benefits are taxable. Any unemployment insurance benefits you receive – including benefits paid under any regular state program, extended benefits program, trade readjustment allowance benefits, and disaster unemployment assistance benefits – must be reported as part of your gross income on your federal and state tax returns.

You can make estimated payments

Depending on your tax status, you may be responsible for making quarterly estimated tax payments to the U.S. Internal Revenue Service (IRS) and to the Massachusetts Department of Revenue (DOR) for the amount of taxes you owe. Generally, you must make estimated tax payments if you expect to owe, after subtracting withholding and credits, at least \$500 in tax to the IRS, and \$200 in tax to the DOR.

To figure and pay estimated taxes to the IRS, use federal form 1040-ES, Estimated Tax for Individuals. For state taxes, use Estimated Income Tax Vouchers (Form 1-ES). Failure to file quarterly, if required, results in penalties. For filing assistance and information call the IRS at 1-800-829-1040, or the state Department of Revenue at 1-800-392-6089.

You can have taxes withheld

Some people may choose to have income taxes withheld from their benefits as they receive them. You may request to have both federal and state taxes – or just federal or state taxes – withheld from your weekly benefit payments and forwarded to the IRS and/or DOR automatically. (You should indicate your choice on the form on the reverse side.)

- The federal income tax withheld is currently 10 percent of your weekly benefit payment rate.
- The state income tax withheld is currently 5.3 percent of your weekly benefit payment rate.

Here is an example:

Unemployment (UI) benefit rate	=	\$325.00
Dependency allowance 2 children)	=	50.00
Weekly UI benefit payment	=	\$375.00
Federal tax withheld	=	37.00 *
State tax withheld	=	19.00 *
Net weekly UI payment	=	\$319.00

* The amount of taxes withheld will always be rounded to the next lowest dollar.

- If you do not want to have taxes withheld from your UI benefit payments, you do not need to do anything. DUA will not withhold taxes from your UI checks unless you specifically request it.
- If you have partial earnings or pension deductions, DUA will subtract these amounts before calculating the tax withholding amount.
- If you have a mandated child support payment or an overpayment recovery deduction on your claim, you should speak to a DUA agent before deciding if you want to request tax withholding.
- If, at any time, you change your mind and no longer want taxes withheld from your checks, you will be allowed to change your election.
- If you have not elected to have tax withholding, you can choose to have taxes withheld at any point in your claim.
- However, any changes will not apply to benefit payments made prior to the effective date of the change. Any taxes already withheld cannot be refunded to you by DUA.

In January, DUA mails to all claimants a statement 1099-G. This form shows the total benefits received and the taxes withheld during the previous calendar year. The amounts on this form are to be used when you file your federal and state income tax returns.

You may access your form 1099-G on the DUA web site. Simply go to www.Mass.gov/dua and register for online services for workers.